

**RULES
OF
GEORGIA DEPARTMENT OF AGRICULTURE
ANIMAL INDUSTRY DIVISION**

**CHAPTER 40-16-3
EQUINE**

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40-16-3-.01 Definitions. The following words or terms shall have the meaning set forth herein when used in these rules and regulations:

(a) Equine shall include horses, mules, asses and any other members of the Equidae species.

(b) Dealer or Broker. The words “dealer” or “broker” as used in these regulations shall mean any person, firm or corporation engaged in the business of buying equines of any kind for resale or in selling equines of any kind bought for the purpose of resale or in buying equines of any kind for slaughter; and every agent acting for or on behalf of any dealer or broker or auction operator is for the purpose of this Act a dealer or broker; provided, however, that any person acquiring equines for the purpose of using as a part of their operations or for pleasure only are exempt from the definition herein applicable to dealer or broker.

(c) Barn, Auction or Sales Operator. The words “barn, auction or sales operator” as used these regulations shall mean any person, firm or corporation engaged in the business of operating public auctions or sales of equines, or of operating barns and yards for the concentration of equine held for the purpose of auction or sale.

(d) Special Sales. A special sale shall be any sale by a dealer or broker, barn, auction or sales operator held at a time other than a regularly scheduled time,

except that any sale by an individual of his own entire stock of equines or part thereof, on his own premises, shall not be considered a special sale.

(e) Bond. "Bond" shall mean a written instrument issued or executed by a bonding, surety or insurance company licensed to do business in Georgia guaranteeing that the person bonded shall faithfully fulfill the terms of the contract of purchase and guarantee the payment of the purchase price of all equines purchased by him, made payable to the Commissioner for the benefit of persons sustaining loss resulting from the non-payment of the purchase price or the failure to fulfill the terms of the contract of purchase.

Authority O.C.G.A. 4-4-111

40-16-3-.02 Reserved.

40-16-3-.03 Reserved.

40-16-3-.04 Reserved.

40-16-3-.05 Reserved.

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40-16-3-.09 Reserved.

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40-16-3-.11 Reserved.

40-16-3-.12 Reserved.

40-16-3-.13 Reserved.

40-16-3-.14 Licensing and Bonding Requirements. Amended.

(1) No barn, auction or sales operator engaged in the sale of equine shall engage in or carry on such business without first having applied for and obtained a license from the Commissioner. No equine dealer or broker who buys or sells through a barn, auction or sales operator shall engage in or carry on such business without first having applied for and obtained a license from the Commissioner; provided that said license shall be permanent until cancelled, suspended, revoked, or surrendered. Said license shall be nontransferable and free of charge. Any person, firm or corporation commencing operation of a new sales establishment for the sale of equine at auction, and any dealer or broker commencing such a business, shall, prior to obtaining a license, post a bond as required by this section. The provisions of this section requiring the posting of a bond shall not apply to any authorized agent of a person, firm, or corporation having posted the bond required by this Code section, which such agent is acting for and on behalf of such principal.

(2) No person shall operate a sales establishment for the sale of equine at auction unless he has then in force a bond in an amount calculated as follows:

(a) If the annual sales of the establishment are \$2,600,000.00 or less, the amount of the bond shall be one fifty-second of the amount of annual sales but not less than \$10,000.00.

(b) If the annual sales of the establishment are more than \$2,600,000.00 the amount of the bond shall be \$50,000.00 plus one fifty-second of the amount of annual sales in excess of \$2,600,000.00 times a factor of 0.20; or

(c) An amount calculated under paragraph (a) or (b) of this subsection, if not a multiple of \$5,000.00, shall be rounded to the nearest higher multiple of \$5,000.00.

(3) No dealer or broker shall purchase equine at any sales establishments or directly from producers unless he has then in force a bond in the amount calculated as follows:

(a) Determine a number which is the number of days during the preceding year on which the dealer or broker did business;

(b) Divided the total dollar value of livestock purchased by the dealer or broker during the preceding year by the lesser of:

(1) One-half of the number determined under paragraph (a) of this subsection; or

(2) One hundred thirty;

(c) Adjust the amount obtained under paragraph (b) of this subsection as follows:

(1) If the amount obtained under paragraph (b) of this subsection is \$10,000.00 or less, then the amount of the bond shall be \$10,000.00;

(2) If the amount obtained under paragraph (b) of this subsection is more than \$10,000.00 but not more than \$75,000.00 then that amount shall be the amount of the bond; or

(d) If the amount obtained under paragraph (b) of this subsection is more than \$75,000.00 then the amount of the bond shall be the sum of \$75,000.00 plus 10

percent of the amount by which the amount obtained under paragraph (b) of this subsection exceeds \$75,000.00; and

(e) An amount calculated under paragraph (d) of this subsection, if not a multiple of \$5,000.00 shall be rounded up to the nearest multiple of \$5,000.00.

(4) Any equine dealer, broker, or sales establishment operator who would otherwise be required by this section to post a bond who has posted a current livestock dealer's, broker's, or sales establishment's bond under Chapter 6 of this title shall not be required to post any bond under this section if livestock dealer's, broker's, or sales establishment's bond, in addition to meeting all requirements of Chapter 6 of this title, meets the requirements of paragraph (1) of Code Section 4-4-111.

(5) In calculating amount of bonds under this Code section, the total amount of annual sales or annual purchases for the preceding calendar year shall be used; but, if an applicant for a license does not have an annual sales history, the Commissioner shall estimate the amount of annual sales or annual purchases which will occur.

Authority O.C.G.A 4-4-113

40-16-3-.15 Reserved.

40-16-3-.17 Violations.

(1) Every licensed dealer or broker and every licensed barn, auction or sales operator or other person subject to this Act, who shall violate this Act or the Rules and Regulations established by the Commissioner pursuant to this Act upon a notice and hearing, shall have his license revoked, cancelled or suspended.

(2) Injunctions. The Commissioner is authorized to seek an injunction against any person, firm or corporation to whom this Act is applicable for violation of any provisions of this Act or any rules and regulations promulgated hereunder. The Superior Court of the county in which venue is proper shall upon hearing and for cause shown, grant a temporary or permanent injunction restraining any person, firm, or corporation from committing such violation, notwithstanding, whether or not there exists an adequate remedy at law.

(3) Any person violating the provisions of these regulations shall be guilty of a misdemeanor.

Authority O.C.G.A. 4-4-127.